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DA 22-1126

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DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF MOUNDVILLE TELEPHONE COMPANY, INC. AND MTC LONG DISTANCE, INC. TO ABAC ALABAMA INC.

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 22-356

Comments Due: November 9, 2022

Reply Comment Due: November 16, 2022

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Richard Scott Taylor, Moundville Telephone Company, Inc. (Moundville Telephone), MTC Long Distance, Inc. (MTC LD, together with Moundville Telephone, the Licensees), and ABAC Alabama Inc. (ABAC) (Mr. Taylor, the Licensees, and ABAC, collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules, requesting consent to transfer control of the Licensees to ABAC.¹

Mr. Taylor, a U.S. citizen, indirectly controls the Licensees, both Alabama corporations, through his direct majority (82%) voting and equity interest in Moundville Communications, Inc. (Moundville Communications), also an Alabama corporation, which wholly-owns both Moundville Telephone and MTC LD.² Moundville Telephone provides service as a rural incumbent local exchange carrier (LEC) to approximately 665 voice access lines and 465 broadband lines in Hale and Tuscaloosa counties in Alabama.³ Moundville has been designated as an eligible

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Application of Richard Scott Taylor, Moundville Telephone Company, Inc., MTC Long Distance, Inc, and ABAC Alabama, Inc. for Transfer of Control of Domestic Section 214 Authorization, WC Docket No. 22-356 (filed Oct. 6, 2022) (Application). On October 24, 2022, Applicants filed a supplement to their domestic section 214 application. Letter from Brian W. Murray and Phillip R. Marchesiello, Counsel to ABAC Alabama Inc., to Marlene H. Dortch, Secretary, FCC, (Oct. 24, 2022) (on file in WC Docket No. 22-356) (Supplement). Applicants also filed applications for the transfer of authorizations associated with international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² Application at 2. Moundville Communications does not hold section 214 authority. *Id.*

³ *Id*. at 3.

telecommunications carrier (ETC) in Alabama.⁴ MTC LD provides toll resale service to certain of Moundville Telephone's residential and business customers.⁵

ABAC, a Delaware holding company, does not directly provide telecommunications services and is directly wholly-owned and controlled by American Broadband Holding Company (American Broadband), a Delaware corporation, that is the indirect parent company of multiple incumbent LECs, competitive LECs, and a wireless provider primarily serving rural markets in Alaska, Louisiana, Missouri, Nebraska, and Texas.⁶ American Broadband, in turn, is ultimately indirectly controlled by a private equity investment firm, Madison Dearborn Partners, LLC (MDP), a Delaware limited liability company.⁷ Applicants state that, other than what is disclosed, no individual or entity that holds a 10% or greater interest in ABAC, also holds a 10% or greater interest in any other provider of domestic telecommunications services.⁸

Pursuant to the terms of the proposed transaction, ABAC will purchase all the issued and outstanding stock of Moundville Communications. Moundville Communications will therefore become a direct, wholly-owned subsidiary of ABAC, and Moundville Telephone and MTC LD will become indirect wholly-owned subsidiaries of ABAC. 10

⁴ *Id.* at 7 and 9. Applicants state that Moundville Telephone participates in the Lifeline program for which it is designated an ETC and that it also participates in the Affordable Connectivity Program. *Id.* at 8-9.

⁵ Id at 3

⁶ *Id.* at 4; Supplement at 2-3. American Broadband is affiliated with the following incumbent LECs serving certain areas in several states: Interior Telephone Co. and Mukluk Telephone Co., Inc., both serving Alaska; Cameron Telephone Co., L.L.C., serving Louisiana and Texas; Elizabeth Telephone Co., L.L.C., serving Louisiana; Holway Telephone Co. and K.L.M. Telephone Co., both serving Missouri; Arlington Telephone Co., The Blair Telephone Co., Eastern Nebraska Telephone Co., and Rock County Telephone Co., each serving Nebraska. Supplement at 1-3. American Broadband is also affiliated with the following competitive LECs: TelAlaska Long Distance, Inc., serving Alaska; LBH, L.L.C., serving Louisiana and Texas; N.W. Communications Co., serving Missouri; HunTel Cablevision, Inc., serving Nebraska; and AccessLine Communications Corp., serving all 50 states. *Id.* American Broadband is affiliated with two interexchange carriers: Cameron Communications, L.L.C., serving Louisiana and Texas, and Holway Long Distance Co., serving Missouri. *Id.* at 1-2. American Broadband is also affiliated with TelAlaska Cellular, Inc., a wireless telecommunications provider serving Alaska. *Id.* at 1. Applicants state that there is no overlap or adjacency of service areas with any of these providers of domestic telecommunications services and the Licensees. *Id.* at 3.

MDP, along with each of their respective post-consummation equity and voting interests. Application at 12-16 and Exh. A (Pre- and Post-Closing Organizational Charts). Applicants state that American Broadband is indirectly wholly-owned by ABC Parent Holdings LP (ABC Parent). Application at 13. The general partner holding all the voting interest of ABC Parent is ABC Parent Holdings GP LLC (ABC Parent GP). *Id.* MDCP VIII ABC Intermediate LP (MDCP VIII) holds 89.3% of the equity of ABC Parent as a limited partner and 50% of the voting interest in ABC Parent GP. *Id.* at 13-14. The other 50% voting interest in ABC Parent GP is held by Catania ABC Partners LP. *Id.* at 14. The general partner of Catania ABC Partners LP is Catania ABC Partners GP LLC in which Richard Parisi holds a 75.1% voting interest and Nicholas Vantzelfde holds a 24.9% voting interest. *Id.* Mr. Parisi and Mr. Vantzelfde are both U.S. citizens. *Id.* MDCP VIII is ultimately controlled by MDP. *Id.* at 15-16. The sole members of the Board of Managers with voting control over MDP are Samuel Mencoff and Paul Finnegan, both U.S. citizens. *Id.* at 16.

⁸ Supplement at 3.

⁹ Application at 5.

¹⁰ *Id*.

Applicants assert that a grant of the Application would serve the public interest, convenience, and necessity.¹¹ Because the proposed transaction is more complex than those accepted for streamlined treatment, and in order to analyze whether the proposed transaction would serve the public interest, we accept the Application for non-streamlined processing.¹²

Domestic Section 214 Application Filed for the Transfer of Control of Moundville Telephone Company, Inc. and MTC Long Distance, Inc. to ABAC Alabama Inc., WC Docket No. 22-356 (filed Oct. 6, 2022).

GENERAL INFORMATION

The application identified herein has been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies.

Interested parties may file comments **on or before November 9, 2022**, and reply comments **on or before November 16, 2022**. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by paper.

- Electronic Filers: Comments may be filed electronically by accessing ECFS at http://apps.fcc.gov/ecfs/.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each
 filing. If more than one docket or rulemaking number appears in the caption of this
 proceeding, filers must submit two additional copies for each additional docket or
 rulemaking number.
 - Filings can be sent by commercial overnight courier or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.
 - Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
 U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L Street, NE, Washington, DC 20554.

People with Disabilities: We ask that requests for accommodations be made as soon as possible in order to allow the agency to satisfy such requests whenever possible. Send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530.

In addition, e-mail one copy of each pleading to each of the following:

1) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, gregory.kwan@fcc.gov;

¹² 47 CFR § 63.03(c)(1)(v).

¹¹ *Id.* at 5-6.

¹³ Effective March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID-19. *See FCC Announces Closure of FCC Headquarters Open Window and Change in Hand-Delivery Policy*, Public Notice, 35 FCC Rcd 2788 (OS 2020).

- 2) David Krech, Telecommunications and Analysis Division, International Bureau, david.krech@fcc.gov; and
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

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The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

To allow the Commission to consider fully all substantive issues regarding the application in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.¹⁴ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

For further information, please contact Gregory Kwan, Wireline Competition Bureau, (202) 418-1191.

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¹⁴ See 47 CFR § 1.45(c).